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#### OFFICE OF THE GENERAL COUNSEL

### MEMORANDUM

TO: Chief, Dockets Division

FROM: Associate General Counsel, Litigation Division

SUBJECT: Austin, Texas: Dayton, Ohio: Dubuque, Iowa: King County, Washington: Miami Valley Cable Council: Montgomery County, Maryland, St. Louis, Missouri: and Wadsworth, Ohio v. FCC & USA, No. 93-1727 and National Cable Television Association, Inc. v. FCC & USA, No. 93-1729. Filing of two new Petitions for Review in the United States Court of Appeals for the District of Columbia

Circuit.

DATE: November 4, 1993

Docket No(s). MM 92-266

File No(s).

This is to advise you that on <u>November 1, 1993</u>, <u>Austin, Texas</u>, <u>et al</u>. and <u>National Cable Television Association</u>, <u>Inc.</u>, filed with the United States Court of Appeals for the District of Columbia Circuit:

X Section 402(a) Petitions for Review Section 402(b) Notice of Appeal

of the following FCC decision: In the Matter of Implementation of Sections of the Cable Television Consumer Protection and Competition Act of 1992, Rate Regulation, 8 FCC Rcd 5631, recongranted in part and denied in part, FCC 93-428, released August 27, 1993. Petitioners petitions the Court to vacate and set aside the cable rules that regulate the rates that the vast majority of cable television operators may charge their subscribers for basis service, cable programming service and equipment.

Due to a change in the Communications Act, it will not be necessary to notify the parties of this filing.

The Court has docketed these cases as Nos. <u>93-1727</u> and <u>93-1729</u> and the attorney assigned to handle the litigation of this case is <u>Laurence N. Bourne</u>.

Daniel M. Armstrong

Cc: General Counsel
Office of Public Affairs
Shepard's Citations

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IN THE
UNITED STATES COURT OF APPEALS
FOR THE DISTRICT OF COLUMBIA CIRCUIT

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EFFER OF GENERAL COUNSEL

STATES COURT OF APPEALS

AUSTIN, TEXAS; BAYTON, OHIO; DUBUQUE, IOWA; KING COUNTY, WASHINGTON; MIAMI VALLEY CABLE COUNCIL; MONTGOMERY COUNTY, MARYLAND; ST. LOUIS, MISSOURI; and WADSWORTH, OHIO

Petitioners,

Case No. 93-1727

v.

FEDERAL COMMUNICATIONS COMMISSION and UNITED STATES OF AMERICA,

Respondents.

#### PETITION FOR REVIEW

Pursuant to 28 U.S.C. §§ 2342 and 2344, Rule 15(a) of the
Federal Rules of Appellate Procedure, and 47 U.S.C. § 402(a), the
City of Austin, Texas; the City of Dayton, Ohio; the City of
Dubuque, Iowa; King County, Washington; the Miami Valley Cable
Council; Montgomery County, Maryland; the City of St. Louis,
Missouri and the City of Wadsworth, Ohio ("Petitioners"), by
their attorneys, hereby petition the Court for review of the
Federal Communications Commission's ("FCC") First Order on
Reconsideration, Second Report and Order, and Third Further
Notice of Proposed Rulemaking, FCC 93-428 in Implementation of
Sections of the Cable Television Consumer Protection and
Competition Act of 1992, MM Docket 92-266, released August 27,
1993 and published in the Federal Register on September 2, 1993,

5 Fed. Reg. 46718 (1993) ("Reconsideration Order"). Venue is proper in this Court pursuant to 28 U.S.C. § 2343.

Pursuant to the Cable Television Consumer Protection and Competition Act of 1992, Pub. L. No. 102-385, 106 Stat. 1460, codified at scattered sections of 47 U.S.C., ("1992 Act"), the FCC is responsible for establishing rules to govern the regulation of cable television rates. The FCC is charged with adopting rules that ensure that basic service and equipment rates are reasonable, and that cable programming service and equipment rates are not unreasonable. 47 U.S.C. § 543(b)(1) and (c)(1). The Commission's regulations do not satisfy the mandate of the 1992 Act and are arbitrary and capricious. Moreover, the FCC's regulations are not supported by the record.

In addition, the FCC's rules regarding (1) determination of whether a cable system is subject to effective competition, (2) the effect of existing or future service requirements, (3) the requirement that franchising authorities must demonstrate that franchise fees are not adequate to pay for costs of rate regulation before the FCC will accept jurisdiction over basic service and equipment rates, and (4) the ability of cable operators and franchising authorities to enter into agreements regarding rates, are arbitrary and capricious and are contrary to the 1992 Act and the Cable Communications Policy Act of 1984, codified at 47 U.S.C. § 521 et seg.

Accordingly, Petitioners request that the Court vacate and set aside the FCC's Reconsideration Order.

Respectfully submitted,

Ву

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Attorneys for Petitioners

November 1, 1993

### In the UNITED STATES COURT OF APPEALS DISTRICT OF COLUMBIA CIRCUIT

May 2 5 55 77 193

National Cable Television Association, Inc. )

Petitioner,

v.

Federal Communications Commission and United States of America,

Respondents.

No. 93-1729

Filed 11/1/93

#### PETITION FOR REVIEW

Pursuant to 47 U.S.C. §402(a) and 28 U.S.C. §§2342 and 2344, the National Cable Television Association, Inc. ("NCTA") hereby petitions this Court for review of the Federal Communications Commission's ("FCC" or "Commission") decisions in Implementation of Sections of the Cable Television Consumer Protection and Competition Act of 1992: Rate Regulation, (Report and Order) FCC 93-177, 58 Fed. Reg. 29,736 (May 21, 1993) and in First Order on Reconsideration, FCC 93-428, released Aug. 27, 1993, 58 Fed. Reg. 46,718 (September 2, 1993).

Copies of the Commission's <u>Report and Order</u> and <u>First</u>

Order on <u>Reconsideration</u> are attached to this Petition as

Exhibits A and B. Venue in this Court is proper under 28

U.S.C. §2343.

NCTA is the principal trade association of the cable television industry in the United States. Its members

include owners and operators of cable television systems serving over 80 percent of the nation's approximately 56 million cable television households, as well as cable television networks, cable equipment suppliers, and others interested in or affiliated with the cable television industry.

In the Report and Order and First Order on

Reconsideration, the Commission adopted comprehensive

regulations implementing Section 3 of the Cable Television

Consumer Protection and Competition Act of 1992, P.L. 102
385, 106 Stat. 1460 (1992) (the "1992 Cable Act.") These

rules regulate the rates that the vast majority of cable

television operators may charge their subscribers for basic

service, cable programming service, and equipment.

NCTA participated in the FCC proceedings giving rise to these orders. Its members are aggrieved and injured by the Commission's Report and Order and First Order on

# Section 3 and its implementing regula

Reconsideration insofar as:

- Section 3 and its implementing regulations violate the First and Fifth Amendments of the United States Constitution,
- the Commission's rules implementing Section 3 of the 1992 Cable Act are arbitrary, capricious and otherwise contrary to law, and
- the Commission's rules implementing Section 3 of the 1992 Cable Act exceed the statutory jurisdiction of the Commission.

Petitioner respectfully requests that this Court vacate and set aside the Commission's Report and Order and First

Order on Reconsideration, and grant such other and further relief as may be just and proper.

Respectfully submitted,

NATIONAL CABLE TELEVISION ASSOCIATION, INC.

Bv

Daniel L. Brenner Diane B. Burstein

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November 1, 1993